REMARKS

The present amendments are made in response to the examiner's non-final office action letter of February 23, 2007, wherein allowable subject matter is expressly indicated by the examiner. Applicants hereby amend claims 2, 6, 10, 16, 20, 23, 30 and 31 and cancel claims 1, 5, 15, 19, 22 and 29. Applicants, by their present and previous amendments, are not conceding in this application that claims originally submitted but no longer before the examiner in their original form are not patentable over the art cited by the Examiner, and the claim amendments and cancellations of record are only for facilitating expeditious prosecution of subject matter expressly indicated by the examiner to be allowable in said letter. Applicants respectfully reserve the right to pursue the originally submitted claims now amended or cancelled and other claims in one or more continuations and/or divisional patent applications.

The amendments above also reflect the correction of informalities of form, namely deleting paragraph identifiers and improving conventional method and article claiming nomenclature. The "CROSS-REFERENCE TO RELATED APPLICATIONS" has also been corrected to more fully identify the applications previously referenced. These amendments are not believed to constitute new matter, nor broaden the subject matter deemed allowable in the examiner's letter of February 23, 2007.

Claim Rejections 35 U.S.C. § 101

Claims 30-31. Claims 29-31 are rejected as directed to non-statutory subject matter under 35 USC § 101. Claim 29 has been cancelled and its limitations incorporated into claims 30 and 31. Claims 30 and 31 have also been amended to claim a computer-readable medium, in accordance with the examiner's suggestion in paragraph 3 of the letter of February 23, 2007. And in accordance with the examiner's comment in paragraph 4 of the letter of February 23, 2007, the specification has been amended at the paragraph beginning at line 6 of page 15 to delete a reference to the medium 490 illustrated in Figure 5 as a "carrier" to more clearly define medium 490 as tangible subject matter in view of 35 U.S.C. § 101. As discussed with the examiner in a telephone interview of May 17, 2007, amended claims 30 and 31 now claim a computer-readable medium encoded with a data structure defining structural and functional interrelationships between the data structure and computer components which permit the data structure's functionality to be realized, and thus statutory subject matter under 35 U.S.C. § 101. USPTO

Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility, OG Notices: 22 November 2005, Annex IV. These amendments are believed to be supported by the specification as originally filed, in particular in view of the specification at page 6, lines 23-25, and page 15, lines 6-14, and of the elements illustrated in Figure 5, and not to constitute new matter. Thus, the amendments presently discussed are believed properly entered and render amended claims 30 and 31 allowable under 35 U.S.C. § 101.

<u>Claims 15-28</u>. Claims 15-28 are rejected as directed to non-statutory subject matter under 35 USC § 101. Independent system claim 15 has been cancelled and its limitations incorporated into former dependent claims 16, 20 and 23, each of which are now independent and have also been amended to claim a *processor means configured* to process scaling data by application of a combined matrix, and wherein other claim limitations define the combined matrix.

To properly determine whether a claimed invention complies with the statutory invention requirements of 35 U.S.C. § 101, USPTO personnel must first identify whether the claim falls within at least one of the four enumerated categories of patentable subject matter recited in 35 U.S.C. § 101 (process, machine, manufacture or composition of matter). *Ibid.* (the USPTO Interim Guidelines citation above). An apparatus claim with process steps is an apparatus claim including functional limitations, hence patentable subject matter under 35 U.S.C. § 101. *Ibid*, citing R.A.C.C. Indus. v. Stun-Tech, Inc., 178 F.3d 1309 (Fed. Cir.1998) (unpublished). As amended, claims 16, 20 and 23 now claim a *processor means configured* to process scaling data according to specific functional limitations. These amendments are believed to be supported by the specification as originally filed, and these claims are all now believed to be allowable in view of 35 U.S.C. § 101.

Claims 17-19, 21, and 24-28 are all directly or indirectly dependent upon one of amended claims 16, 20 or 23; therefore, they incorporate the limitations of said claims 16, 20 or 23, and are all also believed to be allowable in view of 35 U.S.C. § 101 for the same reasons. Claims 19 and 22 have been cancelled.

Claims 1-14. Claims 1-14 are rejected as directed to non-statutory subject matter under 35 U.S.C. § 101.

To properly determine whether a claimed invention complies with the statutory invention requirements of 35 U.S.C. 101, USPTO personnel must first identify whether the claim falls within at least one of the four enumerated categories of patentable subject matter recited in 35 USC section 101 (process, machine, manufacture or composition of matter)...

...[T]he claim must recite more than a Sec. 101 judicial exception, in that the process claim must set forth a practical application of that Sec. 101 judicial exception to produce a real-world result. Benson, 409 U.S. at 71-72, 175 USPQ at 676-77 (invention ineligible because had "no substantial practical application."). "[A]n application of a law of nature or mathematical formula to a . . . process may well be deserving of patent protection." Diehr, 450 U.S. at 187, 209 USPQ at 8 (emphasis added); see also Corning, 56 U.S. (15 How.) at 268, 14 L.Ed. 683 ("It is for the discovery or invention of some practical method or means of producing a beneficial result or effect, that a patent is granted . . . ").

Ibid. (the USPTO Interim Guidelines citation above).

Independent method claim 1 has been cancelled and its limitations incorporated into former dependent claims 2, 6, and 10, each of which are now independent and have also been amended to claim method steps of *providing* transform coefficient data to *a data processing system*, and the *data processing system scaling data* by *applying* the specifically-claimed combined matrix to said data. Thus amended independent method claims 2, 6 and 10 now claim a *process* and clearly claim statutory subject matter in view of *Ibid*.

Moreover, "application of a ...mathematical formula to a known structure or process may well be deserving of patent protection." <u>Diehr</u>, 450 U.S. at 187, 209 USPQ at 8. The processes claimed by amended independent method claims 2, 6 and 10 may be alternatively viewed to claim a practical application of a Sec. 101 judicial exception by transforming an article or physical object (the data processing system) to a different state or thing, the claimed inventions thus producing a useful, concrete and tangible result, therefore allowable subject matter in view of 35 U.S.C. § 101.

These amendments are believed to be supported by the specification as originally filed, and amended claims 2, 6 and 10 are thus all now believed to be allowable in view of 35 U.S.C. § 101. Claims 3, 4, 7-9 and 11-14 are all directly or indirectly dependent upon one of amended claims 2, 6 and 10; therefore, they incorporate the limitations of said claims 2, 6 and 10, and are all also believed to be allowable in view of 35 U.S.C. § 101 for the same reasons. Claims 1 and 5 have been cancelled.

Claim Rejections 35 U.S.C. § 102

Claims 1, 5 15, 19, 22 and 29. Claims 1, 5 15, 19, 22 and 29 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Schwarz et al (U.S. Pat. No. 6058215). Claims 1, 5 15, 19, 22 and 29 have been cancelled, and the present rejection thus rendered moot. However, it is to be

understood that by said cancellations Applicants are not conceding in this application that claims 1, 5 15, 19, 22 and 29 as originally submitted but no longer before the examiner in their original form are not patentable over Schwarz or other art cited by the examiner, and the claim cancellations of record are only for facilitating expeditious prosecution of subject matter expressly indicated by the examiner to be allowable in said letter of February 23, 2007. Applicants respectfully reserve the right to pursue originally submitted claims now amended or cancelled and other claims in one or more continuations and/or divisional patent applications.

Allowable Subject Matter

Claims 2-4, 6-14, 16-18, 20, 21, 23-28, 30 and 31. Claims 2-4, 6-14, 16-18, 20, 21, 23-28, 30 and 31 stand objected to as being dependent upon rejected base claims, but allowable if rewritten to include all of the limitations of their respective base and any intervening claims, and to overcome the 35 USC § 101 rejections set forth in the examiner's letter of February 23, 2007.

As discussed with the examiner in the telephone interview of May 17, 2007, these claims have each been amended where appropriate pursuant to the examiner's comments and requirements. More specifically, dependent claims 2, 6, 10, 16, 20, 23, 30 and 31 have been rewritten into independent form to include all of the limitations of their respective base claims and any intervening claims, and is each now each believed to be allowable over 35 U.S.C. § 101 as discussed above. Each of the these claims, as well as dependent claims 3-4, 7, 8, 11-13, 17, 21, 24-27, has also been amended where appropriate to correct informalities of drafting and to render each claim allowable in view of 35 U.S.C § 101.

Conclusion

Claims 2-4, 6-14, 16-18, 20, 21, 23-28, 30 and 31 are now believed in condition for allowance pursuant to the examiner's comments, and early notification of allowance is respectfully requested.

MAY 21, 2007

Date

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